THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a)to(e) Such proposals, including those made by ASSOCHAM, are examined as a part of pre-budget proposals and the decision of the Government, if any, in this regard will be reflected in the Finance Bill.

Bonds for Co-operative banks

†1976. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government are going to issue bonds to the tune of Rs. 8000 crores for co-operative banks;

(b) if so, the details thereof;

(c) whether it is also a fact that most of the State and District co-operative banks are incurring losses; and

(d) if so, what action Government are taking to get them out of the red?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Government had constituted a Task Force to study the functioning of co-operative credit system and suggest measures for its strengthening. Subsequently, Government also appointed a Joint Committee to suggest ways of providing revitalization support to co-operative credit structure. Keeping in view the recommendations of these Committees, Government announced in the Union Budget to usher reform in the co-operative banking sector and has made a provision of Rs. 100 crores in the budget to start with to incentivise reforms and revitalize this sector. The amount and nature of assistance/bond alongwith other modalities of the scheme are being worked out.

(c) As reported by NABARD, 137 District Central Co-operative Banks (DCCBs) and 8 State Co-operative Banks (SCBs) were not corhplying with the provisions of Section 11(1) of Banking Regulation Act, 1949 regarding maintaining of minimum value of paid-up capital and reserves of Rs. 1 lakh.

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†Original notice of the question was received in Hindi.

(d) National Bank for Agriculture & Rural Development (NABARD) has reported that it has initiated various steps to improve the performance of the cooperative banks. These include, asking these cooperative banks to prepare Development Action Plans (DAPs), execution of Memoranda of Understanding (MoU) between Co-operative Banks, NABARD and the concerned State Government, conducting organizational development intervention programmes for cooperative banks for improving their organizational performance, providing assistance outs of Cooperative Development Fund for improving the operational efficiency of cooperative banks, encouraging banks to organize farmers clubs and providing financial assistance for launching and maintaining such clubs, providing support in the areas of human resources development, instituting awards at national level for excellence in the performance of cooperative banks, etc.

Revision of Excise and Customs structure

1977. DR. C. NARAYANA REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether there are any proposals with Government to revise Excise and Customs structure;

(b) what are the salient features of the reforms; and

(c) by when they will be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir.The Government has approved the restructuring of Customs and Central Excise Department.

(b) The aim of the restructuring exercise is to create a Tax Administration which is officer oriented, technology driven, and assessee friendly. It also provides for closer supervision by creation of smaller and compact Commissionerates and Zones. The other objectives of restructuring are to reinforce the Directorates of Anti-Evasion and Revenue Intelligence for countering tax evasion and smuggling and unblocking the revenue locked in Appellate cases. To fulfil these objectives, an additional 144 posts of Commissioner level, *viz.,* 31 for Central Excise, 07 for Customs, and 106 for Appeals/Adjudication and Directorates, have been created.